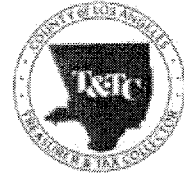




**COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR**



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MARK J. SALADINO
TREASURER AND TAX COLLECTOR

August 25, 2011

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Mark J. Saladino
Treasurer and Tax Collector

SUBJECT: **ENHANCEMENTS TO THE COUNTY'S BUSINESS LICENSE
APPLICATION PROCESS**

I am pleased to announce that, effective August 29, 2011, we will enhance the Treasurer and Tax Collector's (TTC) website to allow constituents the ability to initiate a Business License application request, and to track the status of a Business License application, online. This functionality was initiated at the request of the Fifth Supervisorial District.

Background

The County's Business License processes are codified in Title 7 of the County Code. Under Title 7, a constituent who wishes to open a business in the unincorporated areas of the County and several contract cities, and in any of approximately 100 different business types, is required to obtain a Business License. The TTC is responsible for the Business License application process and the coordination of required approvals from other County departments. If an application is approved, the TTC issues the license and is then responsible for related inspection. Depending on the type of business, the County Sheriff is responsible for enforcement. The TTC is also responsible for processing license renewals.

The TTC maintains a Business License computer system to initiate and track the Business License application and related referrals to other County departments. Once the application is approved, license issuance and renewal and related payment activity are tracked as well. In July 2009, we expanded our online payment options to include Business License renewals, through the use of an eCheck or a credit/debit card. Since that date, we have received nearly 700 payments through this option.

Current Application Process

Once the constituent, in conjunction with the assistance of my staff, completes the application process in our offices, my staff enters the application into our Business License system. The system automatically generates the referral, in the form of an email, to the required County departments that need to review and approve the application. Once a County department approves the application and forwards notification of such to my staff (either through email or fax), my staff updates the status of the referral to that department as *Complete*. Prior to that step, the status would have shown as *Pending*. When the status of all referrals is *Complete*, the system issues the license to the business owner.

Prior to this new functionality, the constituent did not have online access to this information to determine the status of his/her application, subsequent to the filing of the application and prior to license issuance.

Enhancements to the Application Process

We have enhanced our Business License system to make it more constituent friendly in the following ways:

1. Development of an online Application Request functionality

As the first step in the online Application Request, we refer the constituent, through a link, to County Registrar-Recorder databases to ensure the County has jurisdiction (either because the situs address is in the unincorporated area of the County or in one of five contract cities.) If the County does not have jurisdiction, we advise the constituent that a County Business License is not required for that address. If the County has jurisdiction, the constituent then proceeds to a list of businesses that require licensing and checks the license(s) for which he/she is applying. The constituent can also schedule an appointment to come to one of the three offices (i.e., downtown Los Angeles, Lancaster, or Valencia) to complete the application process with our staff.

It is important to note that this is an Application Request, not the completion of an actual Business License application. The reasons for this are to maintain the safety of the public, ensure the applicant has sufficient notice of the requirements needed based on the business activity, and that all requirements of Title 7 are identified and met. We also require items of identification to verify if the applicant is authorized to apply for the Business License as stated in Title 7. The identification requirement is also necessary as certain licenses require a background check.

2. Development of an online Application Status functionality

As noted previously, the constituent does not currently have online access to determine the status of his/her application. However, we have enhanced the system to provide this functionality to the constituent. At any time subsequent to the completion of an application and payment of the associated fee(s), the constituent is able to see the status of the referrals to other County departments online.

Application Process Efficiencies

Since April 2003, the TTC received approximately 6,200 applications for Business Licenses, which resulted in approximately 17,500 referrals to various departments. Approximately 60% of these referrals were resolved within 60 days. Of the remaining, over half were related to just four license categories: Auto Repair, Food Establishment, Public Eating Establishments, and Massage. The reasons the referrals for these categories are not resolved within the 60 days include, but are not limited to, complex zoning questions, requirements to obtain Conditional Use Permits and delay in applicants' response to requests for documentation.

My staff believes that efficiencies in the processing of an application could be realized to reduce the time between the receipt of the application and its approval or disapproval. I have requested the departments involved in the business license approval process create an inter-departmental workgroup to review efficiencies in the application review and approval process. I will report to your Board on the status of the workgroup's efforts.

If there are any questions, please contact me, or your staff may contact Donna Doss, Assistant Treasurer and Tax Collector, at (213) 974-2077.

MJS:JK:sld

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors